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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000317

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TAGS: [PREF](#) [PREL](#) [PGOV](#) [PHUM](#) [CH](#) [BT](#) [NP](#)
SUBJECT: NEPAL'S PRIME MINISTER AGREES TO RESETTLE
BHUTANESE REFUGEES, WORRIES ABOUT TERA

REF: 02/02/07 HARRIS-KAPLAN E-MAIL

Classified By: Ambassador James F. Moriarty for reasons 1.4(b/d).

Summary

1. (C) In a February 7 meeting with Ambassador Moriarty, Prime Minister Girija Prasad Koirala agreed to allow third-country resettlement of Bhutanese refugees. On the ongoing violence in the Terai, the Ambassador encouraged the Prime Minister to both initiate a dialogue with all ethnic minorities and provide immediate and specific offers to the Madhesi groups. While stressing the need to maintain Nepal's "national integrity," the PM's Foreign Policy Advisor, Dr. Suresh Chalise, actively engaged the Ambassador on the specifics of a national dialogue, including the need for it to be an open forum for all groups, not just the Madhesi. The PM reiterated his position on ensuring that Maoist combatants' arms were locked up at cantonment sites before formation of an interim government. PM Koirala denied press reports that he had agreed to a Maoist Deputy Prime Minister and said he would like to appoint two or three deputies with the most senior one from his own Nepali Congress party.

Yes to Resettlement of Bhutanese Refugees

2. (SBU) On February 7, the Ambassador delivered Assistant Secretary for Population, Refugees and Migration (PRM)

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Sauerbrey's letter (ref) to the Prime Minister requesting the Government of Nepal's permission to begin planning a large-scale U.S. resettlement program for Bhutanese refugees. The Ambassador also handed over a copy of the PRM fact sheet. The Prime Minister gave his assent, saying "there is no problem for those (refugees) that want to go (for resettlement)." The Ambassador thanked the PM for moving forward with a solution for the refugees.

Tibetan Follow-to-Join Cases

13. (C) The Ambassador raised the need to allow the 180 Tibetan asylee follow-to-join cases to depart Nepal and rejoin their families in the U.S. The PM noted he was under heavy pressure from the People's Republic of China (PRC) to prevent resettlement and suggested that perhaps small numbers could leave at a time. The Prime Minister's Foreign Policy Advisor Dr. Chalise asked about the possibility of sending the Tibetans to India as currently done with new Tibetan arrivals and then transporting them to the U.S. from there. The Ambassador agreed to explore that possibility.

Need To Give the Madhesis Something ...

14. (C) Discussion in the meeting centered largely around the ongoing violence in the Terai lowlands, and how the Government of Nepal (GON) should respond. The PM admitted his health was poor due to sleepless nights worrying about the Madhesi problem. The Ambassador sympathized with the difficult decisions facing the PM and described the need for an inclusive process. Chalise emphasized the importance of maintaining Nepal's national integrity, but acknowledged that a federal structure and proportional electoral constituencies would likely address the Madhesis' demands. The Ambassador replied that, if the government were only to address the Madhesis' demands, it would soon face a rolling series of demands from various marginalized groups. The national pie was not large enough to meet fully all the demands of each minority group, he added, and compromise would be required. Both the Foreign Policy Advisor and the Ambassador agreed that the government needed to offer something immediate and specific to the Madhesis, such as compensation for victims and apologies for the shooting of protesters, in order to forestall continued violence.

KATHMANDU 00000317 002 OF 002

... But Leave Room For More Inclusive Dialogue

15. (C) PM Koirala said "I am ready to talk to anyone who is interested." The Ambassador urged that the government should provide specific dates and places for these discussions and that the discussion should center on two issues: how the Constituent Assembly (CA) would be elected and how the CA would work once it was established. Chalise commented that the PM was thinking of addressing the nation for a second time and asked the Ambassador for his thoughts on how a national dialogue might be initiated. The Ambassador replied that the PM should steer away from forming another government committee to examine the issues, but rather call for an open forum that would allow all ethnic groups a voice in determining the form and functioning of the CA. Chalise enthusiastically endorsed this concept. The Foreign Policy Advisor suggested that the government and political parties could nominate participants, but that the forum could remain open to include anyone from civil society and ethnic groups.

No Interim Government Until Arms Management Is Completed

16. (C) The Ambassador stressed the importance of completing arms management before allowing Maoists to participate in an interim government. PM Koirala voiced his agreement, as did Chalise, who said that the GON would not move on formation of an interim government until the UN had certified that arms management was completed and successful. The Ambassador doubted that a formal UN certification would be forthcoming, although he believed the UN understood the need to keep the arms management process going until the Maoists had turned in the bulk of the 3,500 weapons seized from security forces. He urged the PM to stand firm on this issue and promised U.S. support.

Maoist Deputy Prime Minister Will Be Junior One

¶17. (C) The Ambassador expressed serious reservations about the rumored appointment of a Maoist as Deputy Prime Minister. If such a move allowed the Maoists to gain control of the Prime Minister position, they would never let it go, he stated. The PM claimed that he had never agreed to having a Maoist as his senior-most deputy; the issue was still under discussion. He said he would like to appoint two or three Deputy PMs, with the most senior one coming from the ranks of his own Nepali Congress party. Chalise assured the Ambassador that the PM was aware of the dangers posed by a senior Maoist Deputy PM.

Comment

¶18. (C) The Prime Minister's verbal commitment to allow third-country resettlement of Bhutanese refugees comes as a wonderful surprise. Post is eager to work with the Department on issuing a "Request For Proposals" to establish an Overseas Processing Entity as soon as possible. While Koirala's interest in initiating a national dialogue is encouraging, he seems uncertain how to proceed. His challenge is to find a way that satisfies pressing Madhesi demands but still leaves enough political space for the inclusion of other ethnic and minority groups in the final process. Whether the PM is ready to make a second nationwide address in another attempt to resolve the ongoing unrest in the Terai is far from clear. Unless he moves quickly to offer something concrete to the Madhesis, however, the violence in the troubled border region will continue and could easily worsen and spread.

MORIARTY